

STATE OF SOUTH CAROLINA

COUNTY OF MCCORMICK

ASSIGNMENT OF LEASES AND
OTHER PROPERTY RIGHTS

Released Attached

THIS ASSIGNMENT, executed as of the 25th day of October, 1988
by

ANSELCO MINERALS INC.

(hereinafter referred to as "Assignor"), a Delaware corporation
whose mailing address is 10 East South Temple, P.O. Box 11248, Salt
Lake City, Utah 84147, to

GWALIA (U.S.A.) LTD.

(hereinafter referred to as "Assignee"), a Delaware corporation
whose mailing address is 38-40 Parliament Place, West Perth,
Western Australia 6005.

W I T N E S S E T H:

WHEREAS, Assignor and Hawk Resources (U.S.A.) Ltd., as the
predecessor in interest to Assignee by reason of a change of name,
entered into a Farmout Agreement dated the 31st day of December,
1987, (the "Agreement") pursuant to which Assignor contributed
certain leasehold and property interests described therein, known
as the Barite Hill Project and situated in McCormick County, South
Carolina, and Assignee, by making certain expenditures for the
benefit of such leasehold and property interests, was to ultimately
have earned a forty-nine percent (49%) undivided interest in
Assignor's interest therein; and

WHEREAS, Assignor has heretofore assigned to Assignee, by a
Special Warranty Deed dated as of December 31, 1987, an undivided
1/3 interest in certain Properties and Related Rights (as defined
in such Special Warranty Deed); and

WHEREAS, pursuant to Section 10 of the Agreement, Assignor
reserved the right to sell its interest in the Properties and
Related Rights, as those terms are defined in the Agreement, to
Assignee for the amount of \$1,000,000, adjusted for inflation,
which adjustment equals \$43,000 as of this date, said right being
hereinafter referred to as the "Option"; and

WHEREAS, pursuant to Section 10 of the Agreement, Assignor
has, by letter dated September 13, 1988, notified Assignee of its
election to exercise the Option; and

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WHEREAS, this Assignment is being executed and delivered in connection with the closing under the Assignment of Barite Hill Properties and Assumption of Certain Agreements (the "Assignment and Assumption"), dated as of this date, between Assignor and Assignee.

NOW, THEREFORE, in consideration of the premises and mutual covenants and promises set forth in the Assignment and Assumption, and to fully effectuate the terms thereof, and in further consideration of the payment of the amount of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which Assignor hereby acknowledges, Assignor grants, bargains, releases, assigns, transfers, conveys, sets over and delivers to Assignee and its successors and assigns all of Assignor's right, title and interest in and to the following leases and agreements (the "Instruments"), together with the rights, members, hereditaments, and appurtenances thereto or in any way incident or appertaining, to have and to hold, all and singular, such interests unto Assignee, its successors and assigns forever:

1. Mineral Lease, dated November 18, 1983, between Gold Fields and Jennings Gary Dorn, Sr., Virginia M. Dorn, and Bettye Naomi Workman Dorn; a Memorandum of which is recorded at Book 65 of Deeds at Page 96, McCormick County, South Carolina. This being the same Mineral Lease which was assigned by Amselco Exploration Inc. to Amselco Minerals Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987, which was recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987, in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed dated as of February 22, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina. January 1

2. Mineral Lease, dated November 18, 1983, between Gold Fields and Jennings Gary Dorn, Sr. and Virginia M. Dorn, a Memorandum of which is recorded at Book 65 of Deeds at Page 97, McCormick County, South Carolina. This being the same Mineral Lease which was assigned by Amselco Exploration, Inc. to Amselco Minerals, Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987, which was recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987, in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed

January 1
dated as of February 22, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina.

3. Mining Lease and Option Agreement, dated December 14, 1974, between John Rainsford, Jr. and Continental Oil Company (as amended December 13, 1979), a Memorandum of which is recorded at Book 39 of Deeds at Page 44, McCormick County, South Carolina. This being the same Mineral Lease and Option Agreement which was assigned by Amselco Exploration, Inc. to Amselco Minerals, Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987, which is recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987 in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed dated as of February 22, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina.

January 1
4. Exploration Agreement with Option to Lease, dated September 1, 1985, between Bowater Incorporated, a Delaware corporation, successor in interest through merger to Catawba Timber Company and Amselco Minerals Inc., successor in interest through dissolution to Amselco Exploration Inc., a Memorandum of which is recorded at Book 80 of Deeds at Page 46, McCormick County, South Carolina. This being the same Exploration Agreement with Option to Lease which was assigned by Amselco Exploration, Inc. to Amselco Minerals Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987 which was recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987 in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed dated as of February 22, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina.

January 1
5. Right-of-Way Easement Agreement, dated September 29, 1988, between Archie J. Lewis, Jr., and Amselco Minerals Inc., a Delaware corporation, which is recorded at Book 81 of Deeds at Page 88, McCormick County, South Carolina.

6. Option to Purchase Real Property Agreement, dated June 15, 1983, between Cornelius B. Young and Amselco Minerals Inc., a Delaware corporation, a Memorandum of which is recorded at Book 332 of Deeds at Page 635, Greenwood County, South Carolina.

Concurrently with the execution and delivery hereof, or as soon as practicable thereafter, Assignor has delivered, or will

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deliver, as the case may be, true and complete originals of the foregoing Instruments, including any amendments thereto, to Assignee. Assignor shall indemnify and save harmless Assignee from and against any loss, cost, damage, or expense that Assignee may suffer by reason of any failure by Assignor to deliver true and complete originals of such Instruments.

Assignor represents and warrants as follows:

- (i) that no default or event which with the passage of time or the giving of notice or both, would constitute an event of default under the Agreement has occurred;
- (ii) no default by Amselco under or, to the best knowledge of Amselco, event that, with the passage of time or the giving of notice or both, would constitute an event of default under any Instrument has occurred;
- (iii) that the Agreement, and, to the best knowledge of Amselco, each Instrument is in full force and effect;
- (iv) Amselco is the sole owner of the right, title and interest of the lessee or of Amselco Minerals Inc. under each of the Instruments (except for the undivided 1/3 interest therein heretofore conveyed to Gvalia) and that it has the right and power to make the conveyance effectuated by the execution and delivery of this Assignment without the consent of any person or authority;
- (v) that the property interests herein conveyed are not subject to any lien, claim or encumbrance of any kind whatsoever created by, through or under Amselco;
- (vi) that Amselco and its successors and assigns shall warrant and defend title to the Instruments against all persons claiming title to or any interest in the Instruments to the extent such claim relates to an interest allegedly derived directly from, through or under Amselco, its successors, or assigns; and
- (vii) that Amselco is a corporation organized, validly existing, and in good standing under the laws of Delaware.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed under seal as of the day and year first above written.

AMSELCO MINERALS INC..

Signed, sealed and delivered
in the presence of

John R. Felt
Joy M. Skiver

P. J. Bernhisel
By: P. J. Bernhisel
Its: Vice President Finance &
Control

Richard E. Pierce, Jr.
Attest: Richard E. Pierce, Jr.
Assistant Secretary

STATE OF UTAH

COUNTY OF SALT LAKE

PROBATE

I, the undersigned, being duly sworn, depose and state on oath that I saw Amselco Minerals Inc., by P. J. Bernhisel, its Vice President Finance & Control, and Richard E. Pierce, Jr., its Assistant Secretary, sign, seal and deliver the foregoing Assignment and that I, together with Joy M. Skiver, witnessed the execution thereof.

Sworn and subscribed before me
this 25th day of October, 1988.

Donna H. Burdick
Notary Public, State of Utah
My Commission Expires: 4-15-89

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30 20
(10)

STATE OF SOUTH CAROLINA
COUNTY OF McCORMICK
filed for record this

Feb 2 1989
at 3:20 o'clock PM
and duly recorded in
Book 89 of Deeds
page 109

Katherine P. Butler
Clerk of Court
McCormick County
South Carolina

AUDITOR'S OFFICE
McCORMICK COUNTY

Recorded this 3
day of Feb 1989
in Book 7 Page 122

James P. McGrath Auditor

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